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Sinkiang AI1

GENERAL CHARACTER OF THE SOCIETY

1. General Introduction

The Northwest of China, consisting of the four provinces: Shensi, Kansu, Chinghai, and Sinkiang, part of which is now called the Sinkiang Uighur Autonomous Region, comprises an area of 1.3 million square miles, (almost a third of all China), in which thirty-six million people live. There are at least four different racial types (Turanides, Sinides, Mongoloides and Tangutides) and more than a dozen different ethnic groups: Eastern Turks or New Uighur (Chin. Wei-wu-erh), Chinese (chin. Han), Chinese Muslims (chin. Han-hui or Tung-kan-hui, Engl. Dungans), Kazakhs (chin. Ha-sa-k'o), Kirghiz (chin. Chi-erh-chi-ssu) Uzbeks (chin. Wu-tzu-pieh-k'o), Tatars (chin. T'a-t'a-erh), Tajiks (chin. T'a-chi-k'o), Western Mongols or Oirats (chin. Ölöt or simply Meng-ku), Sarigh-Uighurs (chin. Tung-hsiang-hui-hui), Shera Yögur (chin. Tu-jen), Monguors (chin. also Tu-jen), Salars (chin. Sa-la), Tibetans (chin. Hsi-fan), Manchu (chin. Man), Sibo (chin. Hsi-po) and Solons (chin. So-lun). The last three ethnic groups, the Manchus, Sibos, and Solons are persistently listed in Communist censuses, although it has been proved that they are non-existent as linguistic units, or as separate ethnic groups. Numerically, the Chinese constitute the overwhelming majority in the Northwest (about thirty million).

While the Turks of the Northwest (i.e. New Uighurs, Kazakhs, Kirghiz, Uzbeks, Tatars and Salars) are rather firm believers in Islam (Mohammedanism), the Western Mongols, Sarigh-Uighurs (the latter are Turks), Shera Yögur, and Tibetans are faithful Buddhists of the northern form, also called Lama Buddhism, and the Chinese believe in a variety of religious or philosophical systems: Confucianism, Taoism, Buddhism, and even Demonism and Animism.

The economic pattern of the Northwest as well displays an enormous variety: we find nomadic pastoralism among the Kazakhs, Kirghiz, Western Mongols, and Tibetans, intensive horticulture among the New Uighur of the oasis-belt of Sinkiang, agriculture by means of irrigation (karis system. See chapter about agriculture) among Chinese (only fifteen percent of the Northwest agriculture is without any irrigation), sedentary Turks and Mongols, and a mixture of primitive agriculture and pastoralism among some Tibetan and Mongolian Tribes of Chinghai and Kansu. The Turkic and the Chinese Muslims are the bearers of the trade along the old "silk roads" of Sinkiang, Chinghai and Kansu. The urban centers of the Northwest are also centers of petty industry and handicraft. The newest

427 Agricultural Research Bureau. It is doubtful whether the results
175 have changed greatly since then. The following are the 1934 findings:

Province	No. of Hsien Reported	Cash Rent	Crop Rent	Share Rent
Ninghsia	5	46.1	18.5	35.4
Chinghai	7	10.6	53.8	35.6
Kansu	21	14.3	51.0	34.5
Shensi	51	15.1	59.0	25.9

(China Handbook 1937-1943 p. 607.)

3. Livestock

175 The chief livestock are sheep, oxen, donkeys, mules, and
231 horses. The following chart gives the number of livestock in the four areas as of March, 1937, in thousand head. (T. H. Shen p. 289. Notable omissions in this table are yak and camel. There is a fairly large number of yak in Chinghai and camel in Ninghsia and Chinghai.) The next series of charts gives the livestock number for the war years.

Province	Horses	Donkeys	Mules	Cattle	Water Buffalo	Sheep	Goats
Ninghsia	17	44	8	39	-	739	225
Chinghai	50	79	26	89	-	359	150
Kansu	151	581	160	802	1	2,625	1,646
Shensi	128	359	131	914	7	375	657

	Pigs	Chickens	Geese	Ducks	Total
Ninghsia	52	186	2	6	1,318
Chinghai	74	312	2	3	1,194
Kansu	984	3,212	53	229	10,544
Shensi	967	2,747	7	99	6,491
Total Number of Livestock (in thousand head)					19,547

The total number of livestock in China for 1937, excluding Sinkiang, Tibet, Outer Mongolia, Sikang, and Manchuria, was 445,078 animals. This meant that the Northwest possessed about four per cent of all livestock in China for the year 1937.

231 As shown by the chart, one of the most important animals is
236 sheep; wool is exported from the region. In the Northwest the
• 43 cost of wool production is high in relation to selling prices. Sheep farmers operate at a deficit due chiefly to the low production of wool per head of sheep and to the high annual death loss from starvation, disease, and other causes, whereas in other sheep and wool producing countries the income from wool is at least forty per cent of total income, in the Northwest, the low production of wool per head of sheep allows only an income of twenty per cent. The estimated annual loss of sheep is around ten per cent. Of the total
236 amount of wool produced in China from 1941-1945, the five pro-
433 vinces of the Northwest, including Suiyuan, produced 69.7 per cent.

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439 The trade between Sinkiang and Afghanistan of the same year
435 amounted to 1,378,040 gold rupees. The details are as follows:
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Table IX: The Trade Between Sinkiang and Afghanistan, 1927

Description	Value (rupee)	
A. Imports:		830,500
opium	675,000	
horses	10,000	
furs and hides	52,350	
Russian metal goods	8,550	
almonds	3,600	
B. Exports:		547,540
cotton cloth	176,500	
cankas	94,500	
woolen carpet	80,000	
horses	57,000	
chinaware	21,200	
felt carpet	16,800	
donkeys and mules	13,000	
Khoten silk	12,500	
Grand Total		1,378,040

Source: Chung-kuo ching-chi nien-chien, 1935 ed., Vol. 3, p. T.95.

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II. The Communist Period

*668 Trade in the Northwest under the Communist regime may be
43 described in two parts: (1) changes in volume and kind, and (2) government control.

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[178] A. Changes in Volume and Kind

As far as the physical characteristics are concerned, trade in the Northwest under the Communist regime seems to have remained more or less the same as it was before, because economic reconstruction in this region is still in its initial stage.

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*668 The following changes, however, may deserve special attention:
496 First, the Communists have taken great pains to improve trans-
491 portation in the Northwest. The most ambitious project, of
178 course, is the Lanchou-Alma Ata Railway, which they plan to complete by 1957. Other improvements include: (1) the Lanchou—Pao-t'ou Railway, which is still under construction: (2) the Hsi-ning-Lhasa Highway, which was opened to traffic on November 16, 1954: and (3) the Tunhuang-Chinghai Highway, which

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*668 links Kansu and west Chinghai, and was opened to traffic in De-
491 cember 1954. Besides, it is also reported that the original Lan-
178 chou-Chengtu and Lanchou-Urumchi highways have been improved upon, and the Outer Mongolia Great Grass Route between

Sinkiang and Outer Mongolia have been re-opened for traffic. (See section Communications.) With these improvements in transportation, it is only logical to assume that trade in the Northwest must also have increased in volume.

Another important change is the increase of production of the Yümen Oil Field and the establishment of four new textile factories in Shensi (for details see section Industry). Although there is no information on the distribution of these products, it is reasonable to assume that most of them are intended for the consumption in the Northwest. If this is the case, the import of textiles and kerosene, which were two of the most important items of the imports of this region, must have been reduced.

Still another important change is the enlargement of cotton plantations in Sinkiang. It is reported that the China Cotton, Yarn and Cloth Company in Sinkiang-Uighur Autonomous Region plans to send five thousand tons of cotton to other parts of the country in addition to ensuring an adequate supply for local consumption. On November 3, 1955, the first cargo of cotton of Sinkiang was dispatched to Shensi for its textile industry.

B. Government Control

The Communist control of trade in the Northwest is more or less the same as that in other parts of the country. The main instrument of control is the state trading companies, which are in charge of wholesale trade and, together with the various cooperatives and mobile trading units, purchase of native products from this region. According to Communist reports, the six basic commodities in Sian, i.e., food, cotton cloth, edible oil, coal, tea and salt, have been fully monopolized by the state trading companies since June 29, 1955; and all private wholesale establishments dealing with those goods have been liquidated. More than one hundred members of the "capitalist side" were sent to reform camps, and the store assistants were either employed by the state trading companies or sent back to their native places to seek other employment. In the Sinkiang-Uighur Autonomous Region, the number of branches of state trading companies exceeded five hundred in 1954, about eight times as many as in 1950. They provide the people there with general merchandise, cotton cloth, oil and fats, petroleum, pharmaceuticals and stationary.

Aside from supplying goods on the wholesale level, the state trading companies have also undertaken to buy goods from this region. Among the goods bought in 1950 are: (1) wool, 23,000 catties, (2) hides, 800,000 pieces, (3) intestines, 1,270,000 pieces, (4) bristles, 280,000 catties, (5) tung oil, 4,500,000 catties, (6) medical herbs, 4,000,000 catties, (7) cotton, 800,000 piculs and (8) grain, 130,000,000 catties (cf. The Native Products of the Northwest, preface, Sian, 1951).

As to control on the retail level, it is exercised through the various cooperatives and the mobile trading units. As far as the cooperatives are concerned, detailed information is not available. However, a recent report on the state of trade in the rural market, Lo-men-chen, Wu-shan, Kansu, may well illustrate how deeply the Communist control has penetrated into the rural areas. According to this report, Lo-men-chen is one of the large rural markets in the county of Wu-shan, which lies near T'ien-shui on the T'ien-shui-Lanchou Railway. The market is open on every other day, and the number of people coming to trade is usually between five and six thousand. Before the Communists took over, there was no government control over such markets. But under the Communist regime, the following measures have been adopted (cf. Hsin-hua yüeh-pao, 1956, No. 2, pp. 94-96):

1. State Purchase: The Communists demand that farmers or producers sell certain commodities to the state trading companies or their agencies before they may sell elsewhere. Such commodities, in 1954, were grain and oil products.

2. Controlled Markets: The Communists have put five commodities under their direct control. They are grain, cattle, lumber, firewood and hemp. Prices are fixed by those who are in charge of economic control, and trade is conducted mainly on the wholesale level under the supervision of the Communist cadres. The volume of trade of these commodities in 1954 amounted to 276,422 yüan (approximately U.S. $110,000), constituting some 30 per cent of the total value of trade of Lo-men-chen.

3. Free Markets at Fixed Locations: Such markets are conducted in a specific place, and the Communists do not regulate the quantity nor the price. In 1954, the volume of trade in these markets amounted to 448,379 yüan, constituting some 60 per cent of the total value of Lo-men-chen trade. The main commodities belonging to this category are straw hats (seasonal), bamboo and wood articles (mostly farming implements), hemp rope, hemp shoes, vegetables, fruits and chinaware. The participants include the agencies of the state trading companies and the cooperatives.

4. Mobile Free Markets: These include peddlers who are not under government control and do not have a definite place of marketing. Trade of this nature is necessarily on a very small scale, the total volume constituting about ten per cent of the total trade of Lo-men-chen.

It is mentioned in the same report that government control has made remarkable progress since 1953. In 1953, all retail trade of Lo-men-chen amounted to 2,123,682 yüan (NJMP), of which amount the state trading companies handled 3.58 per cent,

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the cooperatives handled 2.65 per cent and 93.77 per cent was handled privately. But in 1954, private trade was reduced to 43.02 per cent, state trade increased to 41.55 per cent and that of cooperatives increased to 15.43 per cent, the total being 2,372,936 yüan. In the first five months of 1955, the private trade comprised only 23.42 per cent of the total of 871,234 yüan, and the state and cooperatives handled 74.36 per cent. Although all this is the situation in one single rural community, it can be assumed that it is typical.

The mobile trading units are especially designed for the control of trade in the so-called national minority regions where the people are mostly nomads. They travel from one place to another, to provide the herdsmen with the supplies they want and to buy up their products. According to a semi-official statement concerning the trade in the national minority regions (cf. Hsin-hua yüeh-pao, 1955, No. 9, pp. 178-79), the Communists aim to achieve two things in this connection. One is to raise the standard of living of the minority peoples by giving them better terms of trade. For instance, the exchange ratios between wool (the main export) and tea and cloth (the main imports) in Hsi-ning from 1950 to 1954 were as follows:

Table X: Exchange Ratios between Wool, Cloth and Tea in Hsi-ning

Year	Price of Wool per 100 catties (yüan)	Exchange Ratio with respect to: 1. cloth (No. pieces per 100 catties/wool)	2. tea
1950	745,700	2.29	11.61
1951	1,042,700	3.09	19.61
1952	1,230,758	3.71	28.13
1953	1,278,825	4.18	34.44
1954	1,258,000	4.18	31.45

Source: Hsin-hua yüeh-pao, 1955, No. 3., p. 146.

The other aim is to drive foreign goods out of the national minority regions and replace them with goods made in China. If the Communists really mean what they said, this would lead to a sharp conflict between Chinese and Soviet goods, especially in Sinkiang, where Soviet goods have long been very popular. However, no detailed information on this matter is now available.

C. Evaluation and Prospects

According to Communist propaganda, trade control in the Northwest has been very successful. For instance, they boasted that the per capita purchase of commodities in Liu-lin-chu, Yao-hsien, Shensi, has increased from 345,000 yüan in 1953 to

467,000 yüan in 1954, showing an increase in purchasing power of 40.8 per cent. In the second sub-district of Hsien-yang, Shensi, the per capita outlay was 410,000 in 1953, and 620,000 yuan in 1954, showing an increase of 51 per cent. In Sinkiang-Uighur Autonomous Region, the purchasing power of the people is said to have increased 13 per cent in 1954 as compared with 1953, and the total value of state purchases of local products went up 3.7 times in 1954 as compared with 1950. And in the national minority regions, the total sales of state trade in 1954 increased 4.7 times as compared with 1951, and the total purchase in 1954 increased 5.1 times as compared with the same period.

On the other hand, the Communists have admitted certain failures. For instance, on March 15, 1955, the Sian Municipal Committee of the Chinese Communist Party issued a directive to improve the work of unified grain marketing, in which it was pointed out that waste and extravagance have been prevalent, and it was demanded that the party and the New Democratic Youth League branches in the various places should supervise and ensure the check-up.

Another failure is revealed in the report on trade control in Lo-men-chen, Wu-shan, Kansu. From June, 1954, to January, 1955, the supply and purchase cooperatives in that area undertook to buy all the native products at an official price and prohibited the farmers from entering free trade. But the farmers refused to cooperate, and they reduced production and lowered quality. As a result, the Communists had to reverse themselves and announce that it was still too early to eliminate free trade entirely in the rural areas.

As to trade in the national minority regions, the shortcomings as admitted by the Communists are as follows: One is that the state trading agencies were interested only in wholesale and refused to purchase products in small quantities. Another shortcoming is that they sometimes unduly eliminate private merchants and thus a shortage in commercial outlets results. Still another shortcoming is that the Communist cadres had failed to pay attention to the specific needs of the national minorities. For instance, some of them were so careless as to send swimming suits to mountainous areas or electric typewriters to areas in which people do not even know how to write (cf. Hsin-hua yueh-pao, 1955, No. 9, pp. 178-79).

The main difficulty of the Communist control of trade in the Northwest seems to be the lack of cadres. For instance, the so-called socialization of wholesale trade in the coastal cities such as Shanghai and Tientsin was more or less completed in 1953, but they did not start it in Sian until 1955. Similarly, the control of rural trade in Kansu, as revealed in the report on Lo-men-

chen, did not show any results until 1954. Even so, they could control only some thirty per cent of the total trade of Lo-men-chen as late as 1956. Besides, the number of cadres engaged in trade of the national minority regions is far from adequate. According to their own report, there were only some four thousand persons assigned to trade in minority districts, which include not only the Northwest, but also Tibet, Inner Mongolia and Yunnan. All this explains why the Communist control of trade in the Northwest is much slower than that in other parts of the country, and this tendency is probably to remain the same in the near future. It is to be anticipated, though, that the rate of development will rise sharply as soon as the major emphasis on the Northwest, expected to find expression in the second Five-Year Plan, is being brought to bear upon the situation.